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Lloyd
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UNITED STATES OF AMERICA
 FEDERAL ENERGY REGULATORY COMMISSION

2

East Columbia Basin Irrigation District Project No. 2840-013
 Quincy-Columbia Basin Irrigation District
 South Columbia Basin Irrigation District

ORDER APPROVING FISHERY MITIGATIVE PLAN

(Issued November 23, 1987)

On September 29, 1987, East Columbia Basin Irrigation District, Quincy-Columbia Basin Irrigation District, and South Columbia Basin Irrigation District (licensees) filed a fishery mitigative plan, entitled, "Agreement for fishery mitigation", as required by article 40 of the license for the P.E.C. Headworks Project.

The September 25, 1987, agreement between the licensees and the Washington Department of Wildlife (WDW) is intended to constitute full mitigation for all adverse impacts resulting from or attributable to the P.E.C. Headworks Project. Specifically, the mitigative plan includes the following provisions: (1) the annual hatchery production by the WDW of 1,000 pounds of rainbow trout at the Columbia Basin Hatchery, to be funded by the licensees, with annual payments to be evaluated and adjusted at 5 year intervals; (2) assistance from the licensees to the WDW in obtaining an extension of a permit granted to the WDW, to allow the use of Moran Slough located at Priest Rapids Dam as a rearing facility for warmwater fishes, from November 1, 2005, the expiration date of the license of the Public Utilities District No. 2 of Grant County (PUD) for the Priest Rapids Project, FERC No. 2114, to October 1, 2032, the expiration date of the license for the P.E.C. Headworks Project; in the event the permit is not extended, the licensees will negotiate with the WDW for alternative mitigation; and (3) a one-time payment of \$3,600 by the licensees to the WDW to be used for warmwater fish culture in the Columbia River Basin. The U.S. Fish and Wildlife Service (FWS) and the Bureau of Reclamation (BR) approve of the mitigative plan agreement as to form and content.

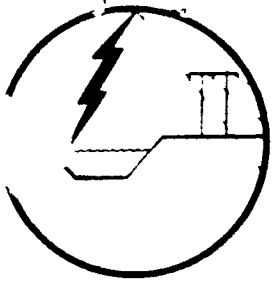
The mitigative plan represents a reasonable approach to mitigating project-related adverse effects to the fishery resources, and should be implemented. It is unclear, however, what alternative mitigation would be undertaken in the event that the use of Moran Slough by the WDW were not extended from November 1, 2005, to October 1, 2032. To ensure that appropriate mitigation is implemented throughout the term of the license, the

licensees should file with the Commission a report on the status of negotiations between the WDW and the PUD to extend WDW's use of Moran Slough to October 1, 2032; if this extension is not arranged, the licensees should file for Commission approval a plan for alternate mitigation, developed after consultation with the WDW, the FWS, and the BR.

The Director orders:

- (A) The fishery mitigative plan entitled, "Agreement for fisheries mitigation," filed on September 29, 1987, is approved.
- (B) The licensees shall file with the Commission no later than August 1, 2005, a report on the status of attempts to obtain an extension from November 1, 2005, to October 1, 2032, of the permit to allow the WDW to use Moran Slough of the Public Utility District No. 2 of Grant County (licensee for the Priest Rapids Project, FERC No. 2114) for rearing warmwater fish. If an extension cannot be obtained, the filing shall include, for Commission approval, an alternate fishery mitigative plan, developed after consultation with the WDW, the FWS, and the BR. The filing shall include documentation of agency consultation and agency comments on the plan.
- (C) This order is issued under authority delegated to the Director and is final unless appealed to the Commission under Rule 1902 within 30 days from the date of this order.

for *CE Shumway*
 Dean L. Shumway
 Director, Division of
 Environmental Analysis



Electricity From Irrigation Water

Grand Coulee Project Hydroelectric Authority

(G.C.P.H.A.)

(509) 754-2227

• 321 C Street NW

• P O Box 219

• Ephrata Washington 98823

October 31, 1990

RECEIVED

NOV 21 1990

HABITAT MGMT.

Ray Duff
Regional Administrator
Washington State Dept. of Wildlife
1540 Alder St. NW
Ephrata, WA 98823

SUBJECT: PEC HEADWORKS - FERC 2840-003
FISHERY MITIGATION PLAN

Dear Mr. Duff:

In September 1987, the East, Quincy and South Columbia Basin Irrigation Districts and the Department of Wildlife entered into a Fisheries Mitigation Plan for full satisfaction of the fish and wildlife requirements contained in FERC License No. 2840-003 for the PEC Headworks Project (copy of agreement is attached for reference purposes). In accordance with the hatchery production provisions of referenced plan, a annual payment of \$1,730 is to be made to the Department upon submission of an itemized invoice with initial payment due and payable immediately following the date of commercial operation. As proposed, the annual funding is for maintenance of the trout fishery in Soda and Long Lake.

The Public Utility District No. 2 of Grant County established September 1, 1990 as the date of commercial operation for the PEC Headworks Project. With establishment of said date, the districts are prepared to submit payment for fish plant upon receipt of itemized invoice in accordance with license requirements.

Please call if you have any questions or alternative fish plant plans.

Sincerely,

Merle R. Gibbens
Secretary-Manager

MRG:jaf
Enclosure

cc: Elvin Quiring, Gr. Co. (w/encl.)

#1011/2/90
c: Joe - action
Tracy
file

P.E.C. HEADWORKS PROJECT

FERC PROJECT NO. 2840-003

AGREEMENT FOR FISHERIES MITIGATION

This agreement is made and entered into this 25th day of September, 1987 by and between:

Washington Department of Wildlife
(hereinafter referred to as "Wildlife Department")

and

South Columbia Basin Irrigation District
(hereinafter referred to as "South District");

East Columbia Basin Irrigation District
(hereinafter referred to as "East District");

Quincy Columbia Basin Irrigation District
(hereinafter referred to as "Quincy District").

Jointly referred to as "Districts".

Recitals:

1. The Districts were issued a license dated September 21, 1982 for the PEC Headworks Project, FERC No. 2840-003.
2. Article 40 of the FERC License No. 2840-003 requires the Districts, in consultation with the Washington Department of Game, the U.S. Bureau of Reclamation, and the U.S. Fish and Wildlife Service, develop a fishery mitigation plan that would include replacement cost of project-related losses of gamefish in Potholes Reservoir, Potholes East Canal, Soda Lake, and Long Lake.
3. The Districts and the Wildlife Department, after consultation with the agencies referred to above, have developed a fishery mitigation plan in accordance with FERC License No. 2840-003, which plan is incorporated in this agreement.

Now therefore, in consideration of and in full satisfaction of the fish and wildlife requirements contained in FERC License No. 2840-003, the parties agree:

HATCHERY PRODUCTION

1. The Districts shall provide funding for hatchery production by the Wildlife Department of 1000 pounds of Rainbow trout at the Columbia Basin Hatchery to be planted in Soda and Long Lakes beginning in 1989. In the event that maintaining the trout fishery in Soda and Long Lakes becomes undesirable, the annual plant may be made elsewhere, as mutually agreed between the Department of Wildlife and the Districts. A payment of \$1,730 shall be made to the Wildlife Department on an annual basis upon the submission of an itemized invoice. The first such payment shall be due and payable immediately following the date of commercial operation of the PEC Headworks Project. Rearing costs shall be evaluated and adjusted at five year intervals to cover the actual costs to produce the fish at Columbia Basin Hatchery beginning with the date of commercial operation of the PEC Headworks Project.

MORAN SLOUGH

2. The Districts shall assist the Wildlife Department in obtaining a permit in the form attached as Appendix A, from Public Utility District No. 2 of Grant County, allowing the use of Moran Slough at Priest Rapids Dam by the Wildlife Department for a rearing facility for warm water fish. The Wildlife Department's use of Moran Slough as a rearing facility shall be subject to the conditions contained in the attached permit.

In the event the permit for use of Moran Slough is not extended to October 1, 2032, then the Districts will negotiate with the Wildlife Department in good faith for alternative mitigation.

DISTRICTS' PAYMENT

3. Immediately following approval of this agreement, the Districts shall make a one time payment of \$3,600 to the Wildlife Department to be used for warm water fish culture in the Columbia Basin. The Districts will establish an escrow account in Peoples National Bank in Pasco, Washington, with the promised \$3,600. The escrow funds are to be invested at the highest, safe and practical rate available. Earned interest will be deposited in the Warmwater Fish Culture Mitigation Funds. Said funds shall be held by the Districts until requested by the Wildlife Department for specific warm water fish culture purposes. The escrow account will remain in full force and effect so long as any funds remain in the account and will be terminated when all of the escrow account funds have been released to the Wildlife Department.

TERM OF AGREEMENT

4. This agreement shall be effective from and after its approval by FERC until expiration of the Districts' FERC License No. 2840-003.

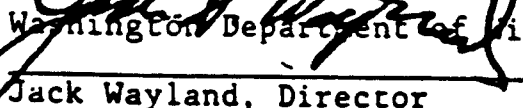
DISTRICTS' LICENSE REQUIREMENTS

5. The Wildlife Department acknowledges that the Districts' fulfillment of its obligations contained herein shall constitute full satisfaction and mitigation for all adverse impacts to fish and wildlife resulting from or attributable to the development and operation of the PEC Project.

COMPLETE AGREEMENT

6. This document contains the entire and integrated agreement of the parties and may not be modified except in writing, signed by an authorized representative of the Wildlife Department and the Districts.

In witness whereof, the Wildlife Department and the Districts have executed this agreement each by its proper respective officers and officials. Thereunto duly authorized the day and year first above written.


Washington Department of Wildlife
Jack Wayland, Director

South Columbia Basin Irrigation District

Willie C. Whiting, President
Paul R. Gibbons, Secretary

East Columbia Basin Irrigation District

Lyndon C. Otter, President
Richard L. Emberton, Secretary

Quincy/Columbia Basin Irrigation District

Richard Stevens, Vice President
Attest: John H. Beard, Secretary

Approved as to form and content:

William A. Stewart
U.S. Bureau of Reclamation
ALBUQUERQUE PROJECT

Charles A. Drennon
U.S. Fish & Wildlife Service
Field Supervisor

APPENDIX A

PERMIT

for

USE OF MORAN SLOUGH

Permit No. 1 Granted to Washington Department of Wildlife
PRIEST RAPIDS RESERVOIR

Washington Department of Wildlife is hereby granted permission to use the area described as Exhibit A attached hereto for purposes of rearing facility for warm water fish.

Permittee, by accepting this permit, agrees to abide by the following terms and conditions:

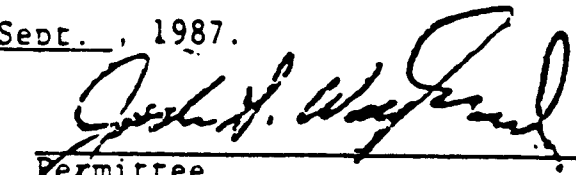
1. The operation of the warm water rearing facility shall be operated and maintained by the Washington Department of Wildlife without cost or expense to the District; and
2. The facility will be used for warm water species fish rearing only and any change in the program which would include the rearing of trout or steelhead would require prior approval by the Washington Department of Fisheries; and
3. The utmost care shall be exercised to insure that a warm water resident fish population does not result in and around the discharge canal as a result of fish escaping or being inadvertently released into the discharge canal; and
4. Water for the initial fill of the lower slough and maintenance water will be restricted to river water only. Maintenance water from the upper pond, existing wells, or future wells will require prior approval by the Washington Department of Fisheries and the District; and
5. Discharge of the Moran Slough water into the channel discharge will only occur in the period of 2-4 days in October and 2-4 days in March. Any deviation will require prior approval from Washington Department of Fisheries; and

6. This permit will expire on November 1, 2005 or in the event of a default by Permittee, in which case the agreement may be terminated unilaterally by the District; and
7. The District agrees to extend the term of this permit to October 1, 2032 provided the Permittee is not in default and the District determines that such extension would not be contrary to its FERC license for Project No. 2114 or applicable law; and
8. That District shall not be liable for any injury or damage to person or property as a result of the operation of the facility by the Washington Department of Wildlife; and
9. All use of the described lands and maintenance of facilities (whether listed herein or not) shall be at the sole risk of the Permittee and the District assumes no responsibility for loss or damage with respect thereto regardless of cause, and the Permittee agrees to save the District harmless from cost or expense arising from loss or damage arising out of Permittee's use of the lands or maintenance of facilities; and
10. Neither the use of the subject lands nor maintenance and operation of Permittee's facilities shall interfere in any way with the District's operation of the Priest Rapids and Wanapum developments, and the District reserves the right to operate such developments and the reservoirs as it determines proper without regard to Permittee's facilities, and without advance notice of operations which may affect the lands or facilities; and
11. No facilities or structures shall be maintained on the subject lands except as specifically set forth in Exhibit B attached to this permit. Any permitted facilities or structures shall be constantly maintained in good repair and condition by Permittee. Permittee agrees to forthwith move any structure or facility at his cost, upon termination or expiration of this permit at the option of the District; and
12. Permittee shall maintain the subject lands in a neat and tidy condition, free of debris and rubbish. Disposal of refuse, garbage, rubbish or waste of any kind shall be by removal, burning, burying or as otherwise directed by the District. No debris, rubbish, waste or garbage shall be cast into the water; and

13. The Permittee agrees to maintain the facilities in a safe condition, to observe all state and local regulations pertaining to health and sanitation, and to abide by the Rules Governing Use of Reservoir Area as adopted by the Commission of the District and as hereafter amended.


NOTE: The Columbia River is a navigable stream and this permit does not purport to grant any rights which must be granted by either the State of Washington or the United States of America.

DATED this 21st day of Sept., 1987.

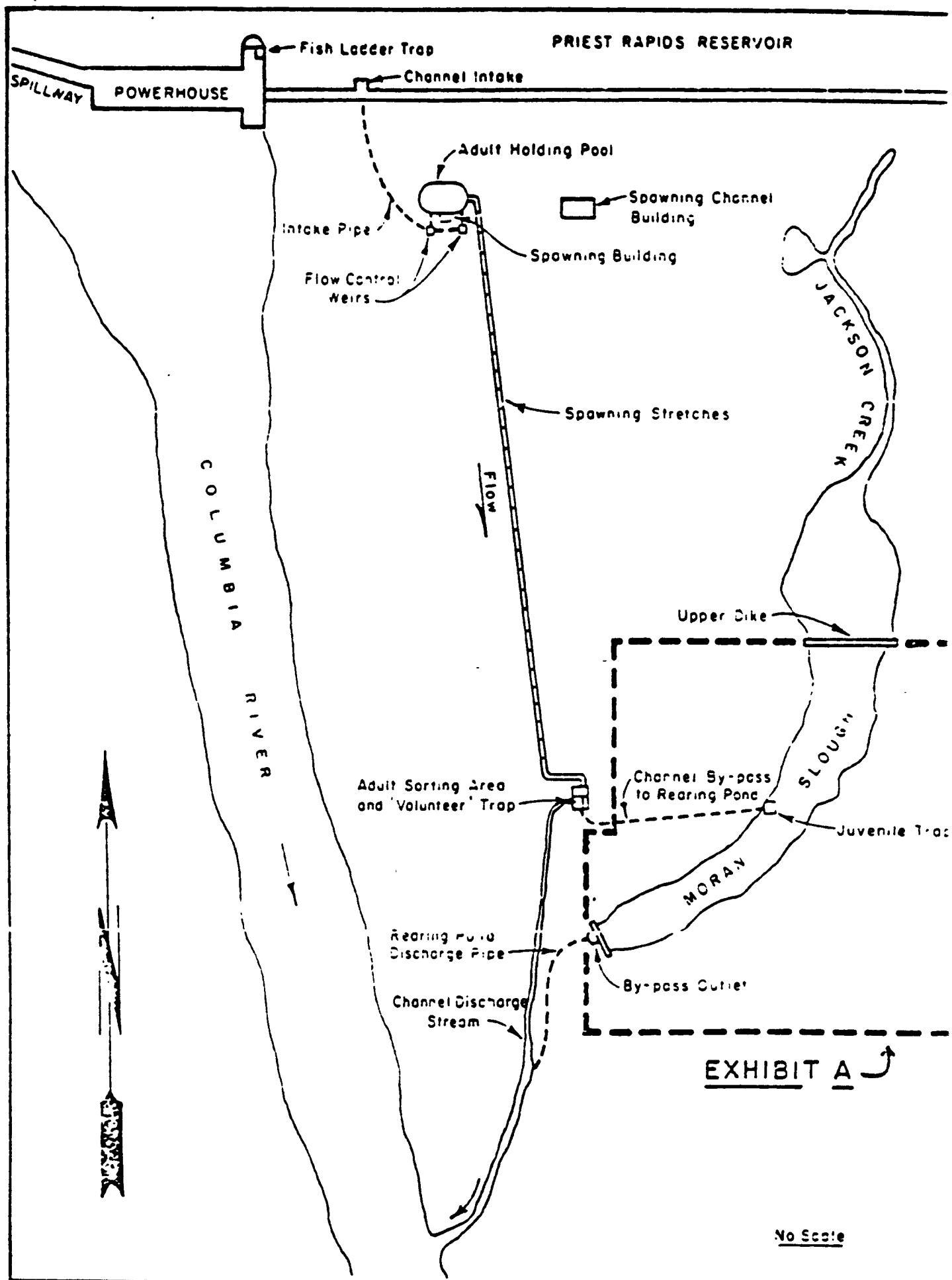


Permittee
Title: Director

PUBLIC UTILITY DISTRICT NO. 2 OF
GRANT COUNTY

By: 

Title: Secretary



Location Plan of the Priest Rapids Spawning Channel Facilities

EXHIBIT 6

Facilities or structures to be authorized on subject lands

1. Weir gate in upper dike
2. Fish sorting trays in lower bypass outlet

In Mitigation Book

VAYLAND
Director



STATE OF WASHINGTON
DEPARTMENT OF GAME
603 South Elliott Ave.
Wenatchee, WA 98801

1CC
please
JF

To: Joe Foster
Tracy Lloyd
Steve Jackson
Francis Archer
Gary Fenton

USFWS?
they are in the area

From: Tony Eldred *Tony*

Subject: Grant PUD mitigation counter-proposal, PEC powerplant (FERC 2840)

Date: Feb. 13, 1987

I met on Feb. 3 with Carl Barr, Don Ziegler, and Mike Dell to discuss Grant's response to our mitigation proposal of Jan. 22.

First, let me review our proposal of Jan. 22.

1. Turbine loss replacement: 15,000 RB fingerlings at 15-20/lb, approx. \$1,700/yr, for estd. loss rate of 25 % (Kaplan turbines).

Our suggested alternative to outright settlement was a before/after creel census to assess any plant impact on the Soda Lake fisheries.

Grant countered with literature showing 3 % loss rate for SH smolts in Rock Is. bulb turbines, and 2 % for 9-14 inch Atlantic salmon smolts through bulb turbines in New Hampshire. This would be equivalent to 1,250 (\$100) per year replacement fish.

2. Habitat enhancement: 100 brush reefs at \$16 each, approx. \$1,600; for warmwater habitat in Soda Lake.

3. Warmwater culture pond: 1/4 acre pond at Columbia Basin Hatchery; J.H.F. est. of \$2,000 for liner.

4. P.S. We planned to include in fishery negotiations restitution for PEC construction use of Glenn Williams access area.

On Feb. 3rd, Grant countered with the following.

1. 15,000 RB fingerling for
 - a) turbine loss replacement, and
 - b) use of Glenn Williams access area

- when it

Barron 2/17

Note: they desire flat settlement; no reference to turbine mortality rate.

might work
WOC if not using any chance?
obvious
2. Game use of Moran Slough at Pr. Rapids Dam

For warmwater culture; Grant will try to get WDF to cede use rights to Moran.

3. Provide us \$3,600 one time

For use as we desire. Grant assumes application on warmwater improvements. They arrived at this figure as the sum of \$1,600 (reefs) and \$2,000 (liner) we mentioned on Jan. 22nd. We could also use part or all at Moran, if desired.

Joe Foster's internal memo prior to the Feb. 3rd meeting recanted our inclination toward brush reefs. Even though it seems an opportunity at Moses Lake, Steve Jackson thinks reefs would be superfluous at Soda Lake -- cover habitat is not lacking.

On the face of it, Grant's counter-proposal appears quite satisfactory. Steve Jackson's comment is "It's a good deal, take it and run".

As to restitution for construction use of Glenn Williams access area, Francis Archer and Art Anderson can only think of improvement of low water launching ramp at Blyth Lake. This would be gravelling; \$1,000 first year and \$200/yr thereafter. This is the only close opportunity they can think of, and then it's not pressing. Considering the PUD is, in essence, offering us \$1,600/yr extra for fish rearing, for the life of the license, Arch and Art say "take the fish" if the gravel would queer the deal. I agree. It seems to me we out to be able to "find" that much gravel ourselves.

I recommend we accept their counter-proposal, with no more than minor modifications, if anyone has any.

JACK S. WAYLAND
Director



STATE OF WASHINGTON

DEPARTMENT OF GAME

Ephrata Office: P.O. Box 850 - 1540 Alder NW - 98823 - (509) 754-4624

February 18, 1987

TO: Tony Eldred

FROM: Tracy M. Lloyd *TML*

RE: Grant County PUD Mitigation Counter-proposal,
PEC Power Plant (FERC 2840)

As a followup to your letter of February 13, 1987, I fully support accepting Grant County Public Utility District's Mitigation Proposal for the Potholes East Canal Power Plant (FERC 2840).

TML:ej

cc: Ray Duff
Gray Fenton
Joe Foster